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NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Policy & Finance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, Notts NG24 1BY on Thursday, 24 June 2021 at 6.00 pm.

PRESENT: Councillor D Lloyd (Chairman)
Councillor K Girling (Vice-Chairman)

Councillor R Jackson, Councillor P Peacock, Councillor T Wendels and Councillor R White

224 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

Councillor T Wendels declared a Personal Interest in Agenda Item No. 10 – Newark Towns Fund update given the involvement in various aspects of the Fund by his employer, the Nottinghamshire Police Authority.

225 DECLARATIONS OF INTENTION TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded and live streamed by the Council.

226 MINUTES OF THE MEETING HELD ON 1 APRIL 2021

The minutes from the meeting held on 1 April 2021 were agreed as a correct record and signed by the Chairman.

227 CHAIRMAN'S REPORT

The Leader informed the Committee that the Armed Forces flag had been raised for Armed Forces Week, however, it was flying at half-mast in memory of the former Chairman, Ken Fletcher, who had recently passed away.

Regarding the Covid-19 Pandemic, the Leader noted that whilst uptake of the vaccine remained high, case numbers within the District had risen. He also referred to the £50million which had been paid out by the District Council in grant support to business since March 2020.

The Leader of the Council also advised the Committee of the unveiling of the Irene Sender Statue in Newark Cemetery on 26 June 2021, in tribute to the work of the Polish humanitarian worker who during the Second World War helped rescue 2,500 Jewish children from the Warsaw Ghetto.

Finally, the Leader reiterated that no decision or review had yet taken place regarding the London Road Car Park.

228 FORWARD PLAN OF POLICY & FINANCE ITEMS

The Committee noted the Forward Plan items to be considered by the Committee over the next 12 months.

229 ANNUAL REVIEW OF EXEMPT ITEMS

The Committee considered a report which detailed the exempt business considered by the Committee from May 2020 to date. The report identified which reports, in the opinion of report authors, could now be released into the public domain.

AGREED (unanimously) that the report be noted with those items which are no longer considered as exempt being released into the public domain.

Reason for Decision

To advise Members of the exempt business considered by the Policy & Finance Committee for the period May 2020 to date and those items which can now be released into the public domain.

230 DIGITAL STRATEGY FOR 2021 - 2024

The Deputy Chief Executive / Director - Resources presented a report which sought approval for the Digital Strategy for 2021 to 2024. The Strategy proposed a set of initiatives that would deliver outcomes aligned to the Community Plan, building on the progress made since the implementation of the previous Digital Strategy and the significant progress made as part of the Council's response to the Covid-19 Pandemic. Members welcomed the strategy and hoped it would work with and help improve the customer experience and access for people throughout the District.

AGREED (unanimously) that the Newark & Sherwood Digital Strategy 2021 - 2024 be adopted.

Reason for Decision

To ensure that the Council undertakes an active role in leading and delivering an evolving digital offer.

231 REVIEW OF THE CORPORATE HEALTH AND SAFETY POLICY

The Chief Executive presented a report which set out the proposed changes and updates required for the revised Corporate Health and Safety Policy. The significant changes were outlined in the report and it was noted that the Policy was the framework for the Councils Health and Safety response, and was supported by many other documents including, risk assessments, safe systems of work and operational procedures. The revised Policy also reflected the changes brought about following the reintegration of the housing function.

The revised Policy had been considered in full by the Homes & Communities Committee at their meeting held on 7 June 2021, and they had recommended the adoption of the revised Policy.

AGREED (unanimously) that the revised Health and Safety Policy be adopted.

Reason for Decision

To ensure the Council's Health & Safety Policy remains updated and reflects recent organisational changes.

232 NEWARK TOWNS FUND UPDATE

The Director - Planning & Growth presented a report which set out the proposed Assurance Framework for the Newark Towns Fund to assist the delivery of supported projects in the Newark Town Investment Plan (TIP) and associated Heads of Terms. As was detailed in an earlier update, the Council needed to perform an accountable body and assurance role for the Towns Fund and Newark Towns Fund Board. This included the requirement to adopt a Newark Towns Fund Assurance Framework to confirm the process for the release of funds for agreed projects, including various decision points and submission requirements from project sponsors. A proposed version of this Assurance Framework was set out at Appendix A to the report. This Assurance Framework had been drafted in consultation with internal legal and finance colleagues, in addition to the S151 officer. Externally, colleagues at the D2N2 LEP, MCHLG, and independent consultants Hatch and Quod had all contributed.

The report and Director – Planning & Growth also updated the Committee on various projects under the Towns Fund umbrella, including progression of the full business case for the YMCA Community and Activity Village, the Newark Gateway site, replacement of the livestock market and the International Air & Space Training Institute (IASTI) Newark.

AGREED (unanimously) that the Committee:

- (a) adopt the Newark Towns Fund Assurance Framework (June 2021) as provided at Appendix A to the report;
- (b) approve, subject to the recommendations of the Council's S151 Officer and Quod Consulting, the Full Business Case for the YMCA Community & Activity Village which seeks £2m of Towns Fund grant;
- (c) subject to (b) above, to give delegated authority to the Director – Resources to appraise and then confirm to the Newark Towns Fund Board that the Full Business Case for the YMCA Community and Activity Village (Newark) meets the requirements of the Newark Towns Fund Assurance Framework (June 2021);
- (d) subject to (b) above, a budget of £2m be added to the Council's Capital Programme in order for the payment to be made, financed by Towns Fund Grant; and

- (e) subject to (b) and (c) above, give delegated authority to the Director – Planning & Growth, in consultation with the Business Manager – Law & Information Governance, to enter into a Grant Funding Contract with the YMCA to deliver the Community and Activity Village (Newark), including its associated outputs, outcomes, and monitoring and evaluation as detailed in the Full Business Plan.

Reason for Decision

To secure progress in respect of the various projects within the Newark Towns Fund.

233 SEVEN HILLS REGENERATION PROJECT UPDATE

The Chief Executive presented the report of the Director- Housing, Health & Wellbeing which updated Members in relation to the procurement exercise to secure a developer to regenerate the Council's temporary accommodation facility at Seven Hills. The report also sought to allocate further funding of £350,000 to deliver the project.

It was reported that site evaluations, inspections, general costs and build costs could all be achieved from within the existing £3m capital budget and it was noted that appropriate planning approval had also been received. Within the breakdown of costs, there was presently no spare monies for general site or construction contingencies and no funds for fitting out any of the accommodation, facilities or office space once built. Therefore, it was proposed that the final budget be increase by a further £350,000 to cover the additional build and site contingencies at £300,000 which allows for £50,000 to be used for alternative temporary accommodation provision and B&B contingencies to facilitate project delivery.

AGREED (unanimously) that:

- a) the report and Appendix A be noted; and
- b) an increase to the capital budget to £3,350,000, which is essential for this project to be completed successfully, be approved.

Reason for Decision

To ensure that the redevelopment of Seven Hills temporary accommodation can be achieved.

234 TRANSFER OF COMMUNITY FACILITY - CONTRIBUTION TO SUTTON-ON-TRENT PARISH COUNCIL

The Director – Planning & Growth presented the report of the Director – Housing, Health and Wellbeing which sought approval to transfer the community facility contribution of £239,619.63 received from Section 106 Agreement AG1108 for 'the provision and maintenance of a village hall on the community facilities land' at a development site in Sutton on Trent to the Parish Council in order to enable the proposed village hall to be developed. The Section 106 Agreement required the land

to be transferred to either the District or Parish Council as deemed appropriate and it had been agreed that it would be expedient to transfer the land directly to the Parish Council and this was now subject to processing with the Land Registry.

AGREED (unanimously) that:

- a) the community facility sum of £239,619.63 secured through S106 AG1108 currently held by the Council be transferred to Sutton on Trent Parish Council under a side agreement; and
- b) appropriate provision be made in the Council's Capital Programme for this scheme.

Reason for Decision

To enable Sutton on Trent Parish Council to progress with the development of the village hall facility with its appointed project team.

235 FINANCIAL OUTTURN REPORT TO 31 MARCH 2021

The Business Manager – Financial Services presented a report which set out the 2020/21 financial outturn position on the Council's revenue and capital budgets including: General Fund Revenue; Housing Revenue Account; Capital Programme; Provisions and Impaired Estimates on Debtors; Usable Reserves; Collection Fund; Balance Sheet; and Treasury Management.

The accounts showed an unfavourable variance of £0.082m on service budgets with a total favourable variance of £10.413m which was broken down in the report. It was reported that the additional income from business rates related to £0.954m in unbudgeted growth from the business rates pool together with £8.161m in additional government funding due to their policy decisions around business rates relief. As the funding was distributed as a s31 grant it must be replicated into the general fund rather than the collection fund. Therefore, the additional s31 grant that had been received was not an in year surplus, but must be earmarked in order to fund the deficit that had arisen in the collection fund as a result of the policy decision by the government. It was noted that the budget for 2021/22 was built on this basis.

The Business Manager – Financial Services also reported on the financial outturn position for the HRA which, before appropriations to reserves, showed a favourable variance of £2.175m. The main reasons for the variance were detailed in the report. The Committee were also advised on the position in respect of capital outturn and the re-profiling of capital schemes, and the position in respect of usable capital and revenue reserves.

AGREED (unanimously) that:

- (a) the final outturn of revenue and capital spending for 2020/21 be approved;
- (b) the capital financing proposals as set out in Appendix C, that will be passed to the

- external auditors as part of the 2020/21 Statement of Accounts, be approved;
- (c) the net variations of £10.965m not spent in 2020/21 on the Capital Programme, be re-profiled and carried forward into 2021/22;
 - (d) the movement in Provisions and Impaired Estimates on Debtors be approved;
 - (e) the creations of the new reserves, as outlined in paragraph 2.19 to the report, be approved;
 - (f) the individual contributions to, and withdrawals from, the revenue and capital Usable Reserves be approved;
 - (g) the contents of the Pension Fund Actuary report and the proposed assumptions to be used in the IAS19 pensions report for inclusion in the 2020/21 Statement of Accounts be approved;
 - (h) the Policy & Finance Committee receives the Annual Report on Treasury Management Activity and comments as appropriate for referral onto the Council for information, as required by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management; and
 - (i) the Committee note that the Treasury Management activities are consistent with the objectives identified in the Treasury Management Strategy for 2020/21.

Reasons for Decision

To approve the Financial Outturn for the Council for the 2020/21 financial year.

236 COUNCIL'S ANNUAL BUDGET 2022/23 - OVERALL CORPORATE BUDGET STRATEGY

The Business Manager – Financial Services presented a report which set out the Budget Strategy for 2022/2023 prior to detailed work commencing on preparation of the budget. The Council's Constitution required that the Council's Section 151 Officer present a report on the overall Budget Strategy to the Policy & Finance Committee for approval. The budget process would result in the setting of the budget and the Council Tax for 2022/23.

The Strategy took into consideration agreed financial policies on Budgeting and Council Tax, Reserves and Provisions, Value for Money and also a set of budget principles which set out the approach to be taken to the budget process. These policies had been reviewed and updated as appropriate and were attached as appendices to the report.

The current Medium Term Financial Plan (MTFP) was approved on 9 March 2021. The report set out a summary of the financial forecast identified within the current MTFP assuming that Council Tax at average Band D would increase by the same rate as the previous three financial years, namely 1.94%.

The report also set out a number of underlying assumptions which would be applied in compiling the draft budget for 2022/23 including staff costs, provision for inflation and fees and charges.

AGREED (unanimously) that:

- (a) the overall General Fund & HRA budget strategy be approved;
- (b) the consultation process with Members be noted;
- (c) budget officers continue work on the assessment of various budget proposals affecting services for consideration in setting the Council's budget; and
- (d) budget managers work with finance officers in identifying further efficiency savings, increasing income from fees and charges and in identifying new sources of income.

Reason for Decision

To enable the Council's budget process to proceed encompassing agreed assumptions.

237 NEW FUNDING OPPORTUNITIES

The Director - Planning & Growth presented a report which further updated Members on new revenue and capital funding opportunities in the form of the Community Renewal Fund; the Levelling Up Fund; and the One Public Estate Brownfield Land Release Fund. He advised the Committee of the latest position in respect of the various funding bids submitted thus far under these new funding opportunities.

Members noted the other items on the agenda relating to applications going forward under these funding schemes, stating they were strong bids and that they were hopeful of positive outcomes. The Committee also welcomed forward funding for work on bids in the Sherwood area.

AGREED (unanimously) that the Policy & Finance Committee:

- a) formally support the submission of the Community Renewal Fund bid by Nottinghamshire County Council on or before 18 June 2021;
- b) support the submission of the Newark Levelling Up Fund Bid for the Southern Link Road (SLR);

- c) the Director – Planning & Growth in consultation with the Business Manager, Law & Information Governance, be given delegated authority to enter into contractual arrangements with Urban & Civic (the Middlebeck master developer) to utilise a further £387,500 from NSDC as part of its overall maximum contribution of £5m towards the delivery of the whole SLR;
- d) support the proposals to progress work to develop a Sherwood Levelling Up Fund bid, including the forward-funding of £50,000 in anticipation of future receipt of £125,000 of capacity funding in association with round two of the Levelling Up Fund; and
- e) note and welcome the submission of the Brownfield Land Release Fund bid for 32 Stodman Street.

Reason for Decision

To allow the Council to maximise funding opportunities to deliver its Community Plan objectives and to improve lives for residents across the District.

238 RESOURCES FOR REGENERATION PROJECTS

The Director - Planning & Growth presented a report which sought support for revised, additional and specifically focussed resource to allow the Council to deliver on its regeneration activities including the successful delivery of existing grant-funded programs and projects, in addition to the ability to maximise future funding opportunities to deliver better outcomes across and beyond the District.

It was reported that since budget setting, there have been a number of welcome but challenging announcements such as the Towns Fund Bid, the Town Investment Plan projects and the new funding opportunities which had already been considered earlier on this agenda. Therefore the report proposed to recruit to a number of posts and interim support as set out.

AGREED (unanimously) that:

- (a) the in-year additional budget of £234,269 as set out in in section 5.4 of the report, to be funded from the Change Management Reserve, be approved; and
- (b) the creation of the posts identified in section 5.2 of the report with the net addition of £108,537 (subject to annual pay awards) into the general fund revenue budget from financial year 2022/23 onwards be approved.

Reason for Decision

To ensure that the Council's Economic Growth and Social Mobility agendas are delivered in accordance with the Community Plan, Economic Growth, Tourism and Covid-19 Recovery Strategies.

239 ANNUAL STANDARDS REPORT FOR 1 APRIL 2020 TO 31 MARCH 2021

The Committee considered the report of the Director - Governance & Organisational Development and Monitoring Officer which set out the annual report on standards for the period 1 April 2020 to 31 March 2021. It was reported that the Monitoring Officer received fifteen formal complaints within the period, thirteen of which resulted in no further action being taken or were resolved through informal resolution being reached. Two complaints were still being considered which related to parish councillors.

AGREED (unanimously) that the annual report be noted.

Reason for Decision

To provide Members with details of the standards issues in 2020/21.

240 URGENCY ITEM - CHIEF OFFICERS APPOINTMENTS PANEL

The Committee noted the decision to convene the Member Chief Officers Appointment's Panel for the recruitment of the Director – Customer Services & Organisational Development, in accordance with the membership details given in the urgency item.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To convene the Panel in order to undergo the recruitment process without delay.

241 URGENCY ITEM - ONE PUBLIC ESTATE BROWNFIELD RELEASE FUND

The Committee noted the decision for a Brownfield Land Release Fund bid of £284,000 to be formally made to the government via the North Midlands One Public Estate Partnership.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To enable the preparation and submission of a Brownfield Land Release Fund bid for 32 Stodman Street by the requisite deadline of 26 May 2021.

242 URGENCY ITEM - LEVELLING UP FUND - NEWARK SOUTHERN LINK ROAD

The Committee noted the following decision that:

- a) funds of up to £22,000 (funded by the Change Management Fund) be made available for NSDC's contribution to procuring consultancy support to

prepare and submit a Newark LUF bid to Government on or before 18th June 2021; and

- b) the Director – Planning & Growth in consultation with the Business Manager, Law & Information Governance be given delegated authority to enter into contractual arrangements with the developer (Urban & Civic) to utilise up to a maximum of £600,000 from NSDC as part of its overall maximum contribution of £5m towards the delivery of the whole Sothern Link Road.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To enable preparation and submission of a Newark Levelling Up Fund bid for Newark by the deadline of 18 June 2021.

243 URGENCY ITEM - EMBANKMENT REPAIR WORK REQUIRED AT VICAR WATER COUNTRY PARK, CLIPSTONE

The Committee noted the decision for an addition of £60,000 into the Capital Programme financed by the Capital Reserve to fund embankment repairs work required at Vicar Water County Park, Clipstone.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To enable works to progress on site as soon as possible to make the area safe.

244 URGENCY ITEM - GREEN HOMES GRANT LOCAL AUTHORITY DELIVERY PHASE 2 (LAD2)

The Committee noted the following decision that:

- a) the Director - Housing, Health & Wellbeing be given delegated authority to accept the Grant offer from the Midlands Energy Hub;
- b) £91,760 of the Grant awarded be initially allocated to the HRA Capital Investment Programme to support the current Energy Efficiency budget and the current budget of £150,000 be increased by the same value to £214,760;
- c) a general fund Capital budget be set up for £567,853.50 for the works estimated to be carried out to the Privately owned;
- d) to set up a revenue budget of £65,236.50 (9% of £724,850 total costs), of which £2,750 will be an upfront payment for managing and administering the programme; and
- e) enter contract procedure rules exemption to enter into a contract with EON

for the reasons listed in the urgency item.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To work in partnership with EON to bring 73 properties up to an EPC rating up to C.

245 EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that, under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

246 LAND TO THE SOUTH SIDE OF MOOR LANE, SOUTH CLIFTON

The Committee considered the exempt report regarding the Land to the South Side of Moor Lane, South Clifton.

(Summary provided in accordance with Section 100C(2) of the Local Government Act 1972).

247 NEWARK TOWNS FUND UPDATE - NEWARK GATEWAY REDEVELOPMENT

The Committee considered an exempt update regarding the Newark Gateway redevelopment.

(Summary provided in accordance with Section 100C(2) of the Local Government Act 1972).

Meeting closed at 7.17 pm.

Chairman

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